

ATTACHMENT 1



MINISTER FOR TRADE AND INDUSTRY
SINGAPORE

May 6, 2003

The Honorable
Robert B. Zoellick
United States Trade Representative

Dear Ambassador Zoellick:

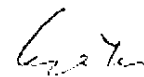
The Singapore Government is committed to the privatization of SingTel and ST Telemedia and to the objective of reducing its existing stakes in these companies to zero, subject to the state of capital markets and the interests of other shareholders. The Singapore Government will thereafter only hold shares in these companies as part of its portfolio investments. For SingTel, the privatization process began in 1993 with the listing of SingTel on the Singapore Stock Exchange. Since then, the Singapore Government has progressively reduced its stake in SingTel and currently holds 67.56% of its shares. SingTel has also been listed on the Australian Stock Exchange since September 2001.

The Singapore Government will establish a plan to divest its majority share in SingTel and ST Telemedia. The Singapore Government understands the United States' interest in seeing such divestment completed as soon as feasible.

The Singapore Government exercises no control over the commercial policy of SingTel and ST Telemedia and the Singapore Government does not have veto rights over the key decisions of these companies by way of a 'golden share'. Neither SingTel nor ST Telemedia receives any subsidy from the Singapore Government.

Both SingTel and ST Telemedia are fully subject to the independent regulatory oversight and authority of the Info-communications Development Authority of Singapore (IDA), which is empowered under the Info-communications Development Authority of Singapore Act to ensure that they do not engage in anti-competitive behavior.

Sincerely,


George Yeo

ATTACHMENT 2

CORPORATE BACKGROUNDER

Temasek Holdings is an investment holding company based in Singapore. Established in 1974, it holds and manages investments in companies which are involved in a wide range of business activities, from port, shipping and logistics, to banking and financial services, airlines, telecoms and media, power and utilities, and rail.

Many of these companies are leading companies in Singapore, such as Singapore Airlines, Singapore Telecoms, Singapore Technologies, Neptune Orient Lines-APL, PSA Corporation, DBS Bank and Singapore Power. The listed companies in the Temasek Group represent about 21% of the market capitalization of the Singapore Exchange. Temasek Holdings is wholly-owned by the Minister for Finance (Inc).

Mission

To build a future for Singapore through nurturing successful and vibrant international enterprises.

Role as a shareholder

Temasek has defined for itself a proactive, value-adding shareholder role. As an involved, interested and informed shareholder, Temasek influences the strategic directions of Temasek-Linked Companies (TLCs) by exercising its shareholder rights through a framework of good corporate governance practices.

Temasek behaves no differently from any institutional investor i.e. it seeks to maximize shareholder value. Temasek aims to ensure that the TLCs are well managed and create value for the benefit of all shareholders. Temasek expects all its companies to continually innovate, explore new technologies or markets, operate on sound commercial principles, and deliver commercial returns in a globally competitive environment.

The role played by Temasek is one of a strategic catalyst. It does not micro-manage or control the TLCs. The day-to-day management of the businesses is left to the respective companies' management and supervised by their boards.

**TEMASEK
HOLDINGS**

In carrying out its mission, Temasek works closely with its companies in the following areas:

(a) Values

Temasek will promote and maintain a strong culture of integrity, meritocracy, excellence and innovation;

(b) Focus

Temasek will require its companies to focus on core competence, value creation, customer fulfilment and shareholder returns so as to maximise long-term shareholder benefit;

(c) Human Capital

As the quality of the human capital is an important asset towards achieving the new mission, Temasek will work with its companies to nurture a group of internationally competitive cadre of board and management as well as outstanding employees ;

(d) Sustainable Growth

Temasek will support and institutionalise high standards of business leadership, financial discipline, operational excellence and corporate governance to achieve scaleable and sustainable growth; and

(e) Strategic Development

To build regional or international businesses, Temasek will assist the TLCs to shape their strategic developments, including consolidations, mergers, acquisitions, rationalisation or collaborations as appropriate.

Strategies

To fulfill its mission of nurturing successful international enterprises, Temasek's strategies are to leverage on the brands and market positions to globalise existing businesses. Temasek will also invest in new businesses with regional or international potential, in order to nurture new industry clusters in Singapore. Temasek will also consolidate and rationalise its shareholdings. Businesses that are no longer strategic and have no international potential will be divested.



Board of Directors

Temasek's Board of Directors comprises leaders from both the private and public sector.

Chairman	Mr S Dhanabalan, Chairman, DBS Group Holdings
Deputy Chairmen	Mr Kwa Chong Seng, Chairman & Managing Director, ExxonMobil Asia Pacific
	Mr Lim Siong Guan, Permanent Secretary, Ministry of Finance
Directors	Mr Sim Kee Boon, Senior Advisor, Keppel Group
	Mr Fock Siew Wah, Deputy Chairman, Fraser & Neave Ltd
	Mr Koh Boon Hwee, Chairman, Singapore Airlines Ltd
	Mr Kua Hong Pak, Managing Director & CEO, Delgro Corporation
	Mr Lim Chee Onn, Executive Chairman, Keppel Corporation
	Ms Ho Ching, Executive Director, Temasek Holdings

For more information, please visit: www.temasekholdings.com.sg

**TEMASEK
HOLDINGS**

ATTACHMENT 3

TEMASEK CHARTER

Temasek Holdings holds and manages the Singapore Government's investments in companies, for the long term benefit of Singapore.

By nurturing successful and vibrant international businesses from its stable of companies, Temasek will help to broaden and deepen Singapore's economic base.

Temasek will work with its companies to:

- (a) **Values**
Promote and maintain a strong culture of integrity, meritocracy, excellence and innovation;
- (b) **Focus**
Foster a strong focus on core competence, value creation, customer fulfilment and shareholder returns; and divest non-core businesses, so as to maximise long-term shareholder benefit;
- (c) **Human Capital**
Nurture and cultivate a strong and internationally competitive cadre of board and management leadership, as well as outstanding employees to build successful businesses;
- (d) **Sustainable Growth**
Support and institutionalise high standards of business leadership, financial discipline, operational excellence and corporate governance to achieve scaleable and sustainable growth; and
- (e) **Strategic Development**
Shape strategic developments, including consolidations, mergers, acquisitions, rationalisation or collaborations as appropriate, to build significant international or regional businesses.

Temasek will divest businesses which are no longer relevant or have no international growth potential.

Temasek may also, from time to time, invest in new businesses, in order to nurture new industry clusters in Singapore.

ELABORATION**Background**

- 1 Temasek Holdings was formed in 1974 as a focal point to hold and manage the Singapore government's investments in companies for the long-term benefit of Singapore.
- 2 Many of its businesses have their roots in the history of Singapore's economic development. For instance, Singapore Airlines was formed through the de-merger of Malaysia-Singapore Airlines after Singapore's separation from Malaysia, and SembCorp Marine evolved from the commercialisation of the naval dockyard facilities when British military forces withdrew from the Far East. In each case, the goals were to develop economically viable businesses, retain and create jobs, and contribute to Singapore's economic survival, progress and prosperity.

Relationship with Temasek Companies

- 3 In the next phase of Singapore's economic development, Temasek aims to build and nurture internationally competitive businesses. These can leverage on Singapore's competitive strengths, and in turn, enhance Singapore's economic resilience.

broaden their share ownership base and support their growth. Temasek companies have in turn divested their non-core assets and listed some of their major shareholdings over the years.

- 15 Temasek will continue to rationalise and consolidate its shareholdings, where there are opportunities to improve shareholder returns. It will continue to divest businesses which no longer require government participation, or which have limited potential for regional or international growth. This will enable Temasek to focus its financial and management resources in areas where it can make a distinct contribution to developing the Singapore economy through successful international and regional enterprise.

-end-

Issued on: 3 Jul 2002